

April 29, 2009

<http://www.readthespirit.com/ourvalues/2009/04/hoffman3-sprout-or-shift.html>

"Green" goes mainstream — but is it a trendy sprout or a historic shift?

THIS WEEK, I'm welcoming Dr. Andrew Hoffman, a leading expert in balancing our desires for development and environmental health. [Please, add your Comments to this important series.](#)

And here is Dr. Hoffman...



Green is everywhere!

“Green jobs,” “Green-tech,” “Green buildings”—and on it goes! CSX boasts of the greenness of train hauling; IBM touts its green mainframe computers; trucking companies are pushing for tandem trailers as a way to reduce greenhouse gas emissions.

It’s getting ridiculous.

The New York Times recently pointed out that in the same home improvement store, one can buy a plastic handled paint brush that is “green” because it does not use trees to make the handle. In the next bin, you can buy a wooden handled paintbrush that is “green” because the handle is not made from fossil fuels.

This can only breed confusion, cynicism and contempt. The problem became vivid for me when I was talking with an auto-industry executive last year (before the fiscal crisis hit the industry). He told me that the hybrid market was a temporary blip because it made no economic sense. His logic ran that once consumers realized that they will never recoup their initial investment in the hybrid drive train through gas savings, they will stop buying them.

I countered that the psychology of buying a hybrid car was no different than that of buying other cars. The purchase is tied to a personal decision-making process; it isn’t merely an economic choice. On that count, I told him, he should see very little difference between his company selling a hybrid to someone who wants to project personal environmental values and selling a Corvette to a middle-aged guy who wants to pick up chicks.

He smiled, but I sensed I was not getting past his resistance that this whole green thing was just a liberal fad, soon to die.

Unfortunately, I think he was wrong. As a business professor, I look at issues like environmental change as major market shifts.

Market shifts create winners and losers; and companies must innovate to survive. They must divest some businesses, acquire others and alter the ones they keep. The question “does it pay to be green?” becomes non-sensical. It is the same as asking “does it pay to innovate?”

So, in the end, I’m arguing that—for all the ridiculous confusion at the moment—and for all the temptation to laugh off “green” as a fad—this really is a movement in the process of making a major shift in the way global markets work.

What do you think?

Is it just too confusing to be green? Is this just a trendy phase?

Or is this whole movement part of a historic shift?